

**CALENDAR ITEM
C21**

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06/28/16

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PRC 2635.9
G. Asimakopoulos

GENERAL LEASE – PUBLIC AGENCY USE

APPLICANT:

City of Santa Cruz
809 Center Street, Room 201
Santa Cruz, CA 95060

PROPOSED LEASE:

AREA, LAND TYPE, AND LOCATION:

Sovereign tide and submerged land in the Pacific Ocean, adjacent to West Cliff Drive, near the city of Santa Cruz, Santa Cruz County, as described in Exhibit A attached and by this reference made a part hereof.

AUTHORIZED USE:

Continued use and maintenance of existing rock revetment structures at various locations along West Cliff Drive, as shown on Exhibit B attached and by this reference made a part hereof.

LEASE TERM:

10 years, beginning June 26, 2016.

CONSIDERATION:

The public use and benefit; with the State reserving the right at any time to set a monetary rent if the Commission finds such action to be in the State's best interests.

STAFF ANALYSIS AND RECOMMENDATION:

Authority:

Public Resources Code sections 6005, 6216, and 6301; California Code of Regulations, Title 2, section 2000, subdivision (b).

Sea-Level Rise Analysis:

Natural coastal erosion, extreme storm and tidal events, and sea-level rise are dynamic processes impacting the lease area and shoreline protection structures adjacent to West Cliff Drive. The shoreline protection structures

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are on the ocean side of West Cliff Drive, a bluff-top road stretching nearly 2 miles between Santa Cruz Harbor and Natural Bridges beach in the city of Santa Cruz. The bluffs are formed by a low bedrock terrace rising 25 to 40 feet above sea level topped with unconsolidated sediment materials (Griggs, G.B., K. Patsch, and L.E. Savoy. 2005. Living with the Changing California Coast; University of California Press). The bluffs are retreating; active erosion occurs along the extent of the shore, ranging from 4 to 10 inches annually on average (CCC Staff Report, CDP 3-90-111 A2, 1998). In addition to incremental erosion, the West Cliff Drive bluffs have sustained significant damage from storm and tidal events, particularly during El Niño years, that have destabilized the bluffs further and degraded the integrity of the existing protective structures, necessitating substantial repairs. Looking ahead, sea-level rise will pose a sustained challenge to both the bluff complex and its protective structures, resulting in increasing management and stabilization challenges, as well as increased maintenance costs. By 2030, the region could see up to 1 foot of sea-level rise (from year 2000 levels), 2 feet by 2050, and possibly more than 5 feet by 2100 (National Research Council, 2012). Sea-level rise will likely result in a narrowing of the beach and stronger wave action against the bluffs and the protective structures. The confluence of sea-level rise and the ongoing occurrence of other erosional forces will exert considerable pressure on the West Cliff Drive lease area throughout the term of the lease and beyond.

Shoreline protection of this location is necessary for the continued function of several public benefit features including a bluff-top bike path, public road and utilities, and parking lots, as well as infrastructure that provides public access to the beach and surfing recreation spots below. The protective structures presently serve to counteract the erosion processes exacerbated by increasingly severe wave action, storm frequency, and rising sea levels. In the future, alternative means of conserving the bluff top development may need to be explored, recognizing the harmful effects that hard armoring structures are known to have on sediment processes and transport, beach size, and habitat. The lease term provides both the Commission and the Lessee an opportunity for relatively frequent check-in points to monitor the effects of sea-level rise in the near term, evaluate the design and functionality of the existing protective structures, and make incremental adaptation steps as necessary and appropriate.

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The Commission is committed to harnessing the best available science, innovative policy, and strong partner relationships to protect the lease area's public trust resources and values subject to these impacts. As a critical initial step, Commission staff worked with the Lessee, the City of Santa Cruz, to incorporate lease provisions to track climate change impacts through monitoring and reporting of major erosion and degradation events and subsequent maintenance and repair actions. The information the Lessee reports will help shape future strategic development of appropriate adaptation measures that may be required in the next lease issuance. Further adaptation actions will likely flow from the synthesis of information and policies presented in the eventual update of the City of Santa Cruz's Local Coastal Program (in accordance with the CCC's Sea-Level Rise Policy Guidance), and related sea-level rise vulnerability assessments, General Plan updates, and similar planning documents and studies. State policy and guidance as well as local plans and analyses will continue to inform the Lessee and the Commission of the most effective ways to protect the public trust resources within the lease area.

Public Trust and State's Best Interests Analysis:

The Applicant constructed rock revetment structures along West Cliff Drive beginning in the 1960s. The last such structure was authorized by the California Coastal Commission (CCC) on June 8, 1998, under Coastal Development Permit No. 3-98-036, which provided for the construction of two additional rock revetment structures to prevent collapse of the road and damage to underground utilities located within or adjacent to the road, and allowed for the repair of an existing recreational pathway and two parking bays.

The proposed General Lease – Public Agency Use requires the Applicant to maintain the rock revetment structures in good order and repair. The Applicant currently performs annual monitoring and maintenance of these rock revetment structures, and the unraveling and end scour detected to date was found to be insignificant.

Based on the information known to Commission staff at this time, the existing rock revetment structures do not substantially interfere with the public trust needs and values at this location at this time and are not anticipated to do so for the foreseeable term of the lease. Furthermore, the lease is limited to a term of 10 years, which allows the Commission

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flexibility if it determines that the public trust needs of the area change over time. The lease also requires the Lessee to indemnify the state for any liability incurred as a result of the Lessee's activities thereon.

For all the reasons above, Commission staff believes the issuance of this lease is consistent with the common law Public Trust Doctrine and is in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. Applicant owns and/or has the right to use the upland parcels adjoining the lease premises.
2. On June 26, 2006, the Commission authorized a 10-year General Lease – Public Agency Use to the City of Santa Cruz, beginning June 26, 2006, for the continued use and maintenance of rock revetment at various locations along West Cliff Drive. That lease expired on June 25, 2016. Applicant is now applying for a new General Lease – Public Agency Use.
3. This action is consistent with Strategy 1.1 of the Commission's Strategic Plan to deliver the highest levels of public health and safety in the protection, preservation and responsible economic use of the lands and resources under the Commission's jurisdiction; and Strategy 1.3 to promote, expand, and enhance appropriate public use and access to and along the State's inland and coastal waterways.
4. The staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

Authority: Public Resources Code section 21084 and California Code of Regulations, Title 14, section 15300 and California Code of Regulations, Title 2, section 2905.

5. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq., but such activity will not affect those significant lands. Based upon the staff's consultation with the persons nominating such lands and

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through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

EXHIBITS:

- A. Land Description
- B. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15061, as a categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed lease will not substantially interfere with the public trust needs and values at this location at this time, is consistent with the common law Public Trust Doctrine, and is in the State's best interests.

SIGNIFICANT LANDS INVENTORY FINDING:

Find that this activity is consistent with the use classification designated by the Commission for the land pursuant to Public Resources Code section 6370 et seq.

AUTHORIZATION:

Authorize issuance of a General Lease – Public Agency Use to the City of Santa Cruz beginning June 26, 2016, for a term of 10 years, for the continued use and maintenance of existing rock revetment structures, as described in Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; consideration to be the public use and benefit, with the State reserving the right at any time to set a monetary rent if the Commission finds such action to be in the State's best interests.

EXHIBIT A

PRC 2635.9

LAND DESCRIPTION

Two parcels of tide and submerged lands lying in the bed of Monterey Bay, Pacific Ocean adjacent to fractional Sections 26 & 27, Lots 1, 2 & 3 of Section 23 and Lots 4 & 5 of Section 24, T 11 S, R 2 W, MDM, as shown on the Official Township Plat approved August 11th, 1874, Santa Cruz County, State of California and more particularly described as follows:

PARCEL 1

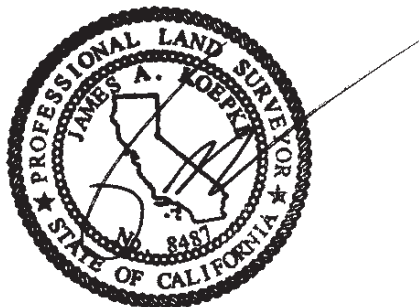
Bounded on the northwest by a line lying parallel with and 100 feet northwesterly of the southwesterly prolongation of the centerline of Swanton Blvd., as shown on that Record of Survey filed in Book 49 of Maps at Page 21, Santa Cruz County Records; bounded on the north by the Ordinary High Water Mark of Monterey Bay; bounded on the east by the southerly prolongation of the westerly line of that parcel as described in "Exhibit "A"" of that Grant Deed recorded in Document No. 2014-0021091 Official Records of said county; bounded on the south by a line parallel with and 80 feet perpendicular to said Ordinary High Water Mark.

PARCEL 2

Bounded on the west by the southerly prolongation of the easterly line of that parcel as described in "Exhibit "A"" of that Grant Deed recorded in Document No. 2014-0021091 Official Records of said county; bounded on the north by the Ordinary High Water Mark of Monterey Bay; bounded on the east by a line lying parallel with and 100 feet easterly of the southerly prolongation of the east line of "Parcel No. 1", as shown on that Record of Survey filed in Book 34 of Maps at Page 37, Santa Cruz County Records; bounded on the south by a line parallel with and 80 feet perpendicular to said Ordinary High Water Mark.

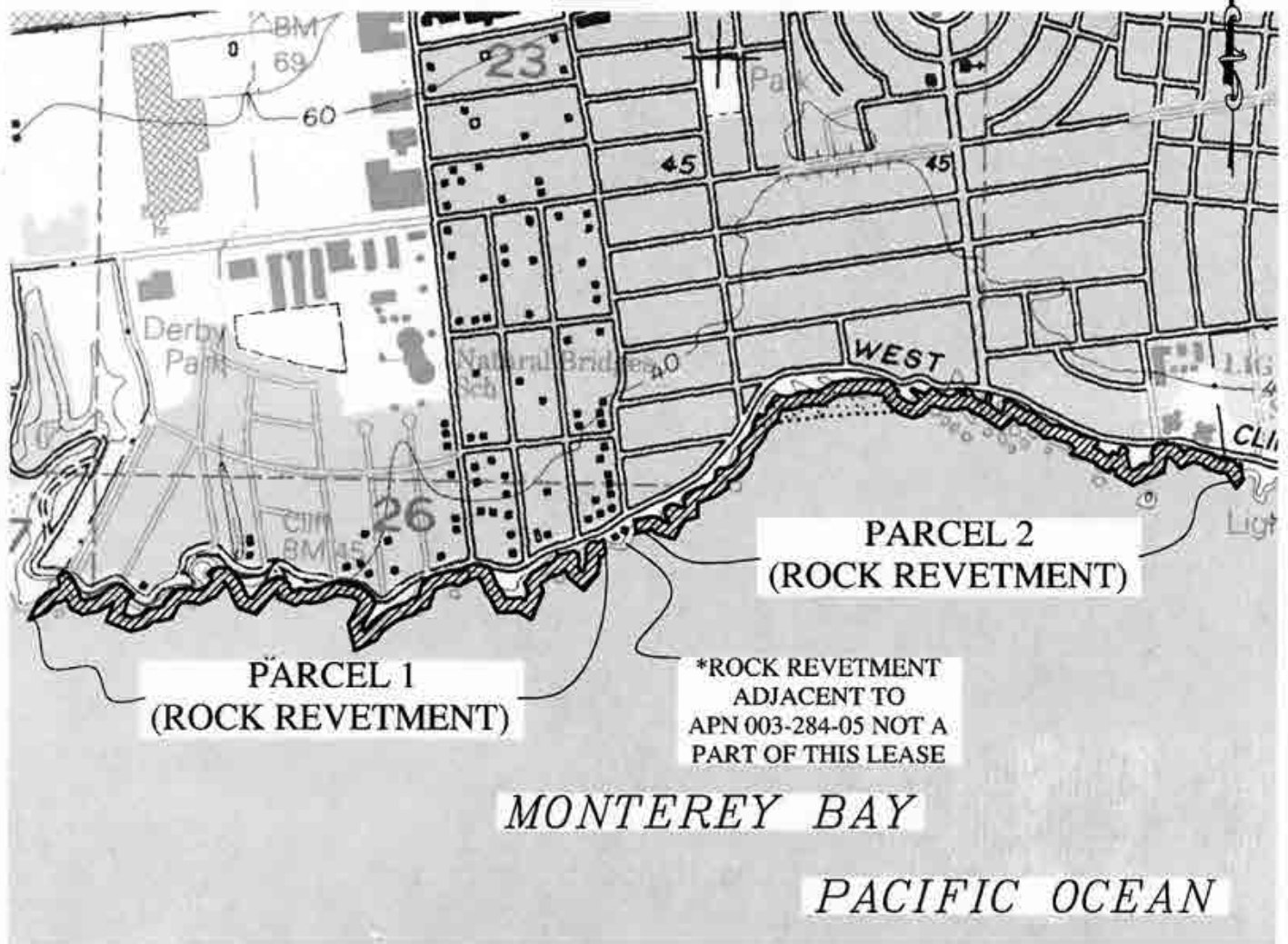
END OF DESCRIPTION

PREPARED 1/15/16 BY THE CALIFORNIA STATE LANDS COMMISSION BOUNDARY UNIT



NO SCALE

SITE



WEST CLIFF DRIVE, SANTA CRUZ

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

Exhibit B

PRC 2635.9
CITY OF SANTA CRUZ
GENERAL LEASE -
PUBLIC AGENCY USE
SANTA CRUZ COUNTY



MJF 1/15/16